Development of tourism in Tsunami hit areas

140. SHRI SANJAY NIRUPAM: Will the Minister of TOURISM be pleased to state:

(a) whether the recently occurred disaster of Tsunami has affected the tourism sector a lot;

(b) whether Government have set any developmental goals to improve the tourism sector in order to attract the tourists; and

(c) if so, the details about developmental steps being taken by Government?

THE MINISTER OF STATE OF THE MINISTRY OF TOURISM (SHRIMATI RENUKA CHOWDHURY): (a) There were initial reports of tourism being affected in the Tsunami affected areas. However, tourist arrivals to the country were largely unaffected. The tourist arrival figures during the month of December 2004 were 394166 as compared to 319271 in December 2003 and during January 2005 the tourist arrivals were 363631as compared to 317510 in January 2004.

(b) and (c) The Ministry of Tourism, Govt. of India, provides Central Financial Assistance to State Governments/Union Territories for development of tourist infrastructure and also undertakes promotional and marketing activities in tourist generating markets overseas.

During the year 2004-05 a total budget of Rs. 500 crore has been allocated for development and promotion of tourism in the country, for various schemes including product and destination development, integrated development of tourist circuits, overseas and domestic promotion & publicity, human resource development, capacity building for service providers, etc.

Increase in demand for accommodation in tourism sector

141. SHRI KARNENDU BHATTACHARJEE: Will the Minister of TOURISM be pleased to state:

(a) whether Government are anticipating any increase in demand for accommodation in the Indian Tourism; and

(b) if so, how Government propose to cope up with the demand and

the amount of finance involved in the process and how to make available the required funds?

THE MINISTER OF STATE OF THE MINISTRY OF TOURISM (SHRIMATI RENUKA CHOWDHURY): (a) Yes, Sir.

(b) The setting up of a Corpus Fund of Rs. 40,000 crore for airports, ports and tourism for lending by Inter-Institutional Group (IIG) has been announced in the Union Budget 2004-05. This will facilitate easier and quicker lending for high investment tourism projects including hotel accommodation through the consortium of Financial Institutions and Banks.

In order to augment accommodation in budget category of hotels, the Department of Tourism has introduced a scheme 'Incentive to Accommodation Infrastructure' during the 10th Five Year Plan. Under this scheme, capital subsidy is granted to new hotel projects in 1 to 3 star and heritage Basic category of hotels in the country except in the four metropolitan cities of Delhi, Mumbai, Kolkata and Chennai. The incentive is granted in the form of Capital Grant of 10% of the total principal loan taken from designated financial institutions/Scheduled Banks or upto Rs. 25 lakh to 1 star hotels, Rs. 50 lakh to 2 star hotels, Rs. 75 lakh to 3 star and the Heritage Basic category hotels, whichever is less.

A amount of Rs. 10 crore has been provided in the Budget for the year 2004-05 under the above Scheme.

World Bank funding for restoration of water bodies

142. SHRIMATI SUKHBUNS KAUR: Will the Minister of WATER RESOURCES be pleased to state:

(a) whether Government have sought hefty funding from the World Bank for sustained long term development of water sector, including restoration of water bodies;

(b) whether the proposals to be financed with World Bank aid include building of a sea wall along the cost line lately hit by Tsunami; and

(c) if so, the details of the World Bank aid sought and the Bank's response thereto?